

## **SOUTH MALAYSIA INDUSTRIES BERHAD**

*(Incorporated in Malaysia – Co. No. 8482-D)*

MINUTES of the 48<sup>th</sup> Annual General Meeting of SOUTH MALAYSIA INDUSTRIES BERHAD duly convened and held at Ruby 3, Level 8, Holiday Villa, No. 260, Jalan Dato' Sulaiman, Taman Abad, 80250 Johor Bahru, Johor Darul Takzim on Wednesday, the 29<sup>th</sup> day of May, 2019 at 11:00 a.m.

- PRESENT : As per attendance sheet
- |              |  |     |
|--------------|--|-----|
| Shareholders | : Individuals                                  | - 7 |
|              | <i>(inclusive of 2 directors)</i>              |     |
|              | By Proxy                                       | - 8 |
|              | <i>(of which Chairman acted for 2 members)</i> |     |
| Directors    | : 6  |     |
- BY INVITATION : Ms Brenda Wong Pei Ling and Mr Kong Wooi Ken, the representatives of Messrs UHY ("UHY") (External Auditor)
- IN ATTENDANCE : Ms Wong Chee Yin, Company Secretary  
Ms Tan Siew Chin, Company Secretary
- CHAIRMAN : Tan Sri Dato' Mohd Ramli bin Kushairi took the Chair and called the Meeting to order.
- NOTICE : The Notice was taken as read.

Chairman disclosed that he was appointed by 2 shareholders representing in total of 10,000,000 shares which is equivalent to 4.76% of the voting rights at this meeting and it had given its instruction for the voting to be carried out.

Before the meeting proceeded, Chairman took the opportunity to inform the shareholders that pursuant to Paragraph 8.29A of the Main Market Listing Requirements by Bursa Malaysia Securities Berhad, there was a requirement for poll voting for resolutions which are set out in the notice of general meeting. The Share Registrars, Tricor Investor & Issuing House Services Sdn. Bhd. was appointed to act as the Poll Administrator and SC Lim, Ng & Co. was appointed to act as Scrutineer to validate the votes casted at the meeting. However, to ensure the smooth conduct of this meeting, the poll on all resolutions would be conducted after the meeting has deliberated on all items on the Agenda.

Chairman explained to the members present that Ordinary Resolutions 1 to 8 require a simple majority of more than 50% votes and the Special Resolution require 75% votes from those members present in person or by proxies and voting at the meeting.

Chairman further explained the polling process to the meeting.

### **1. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

The Audited Financial Statements for the financial year ended 31 December 2018 together with the Directors' Report and Auditors' Report thereon were tabled.

With no members raising questions, the Audited Financial Statements for the financial year ended 31 December 2018 together with the Directors' Report and Auditors' Report thereon were thus taken as received.

**2. PAYMENT OF DIRECTORS' FEES TO NON-EXECUTIVE DIRECTORS OF THE COMPANY AND SUBSIDIARIES FOR THE PERIOD FROM 1 JANUARY 2018 UNTIL 31 MAY 2019 (RESOLUTION 1)**

Chairman proposed the motion to approve the payment of Directors' Fees of RM60,000-00 to Non-Executive Directors of the Company and subsidiaries for the period from 1 January 2018 until 31 May 2019 to the meeting for consideration. Chairman and Ms Tan Siew Poh decided to abstain as they are interested party in this resolution.

*(Proposed by: Tan Sri Dato' Mohd Ramli Kushairi)  
(Secoded by: Mr Ham Sai Kit)*

As the poll on this resolution would be conducted later, Chairman proceeded to the next item of the Agenda.

**3. PAYMENT OF DIRECTORS' FEES TO NON-EXECUTIVE DIRECTORS OF THE COMPANY AND SUBSIDIARIES FOR THE PERIOD FROM 1 JUNE 2019 UNTIL THE NEXT ANNUAL GENERAL MEETING (RESOLUTION 2)**

Chairman proposed the motion to approve the payment of Directors' Fees of RM480,000-00 to Non-Executive Directors of the Company and subsidiaries for the period from 1 June 2019 until the next Annual General Meeting of the Company to the meeting for consideration. Chairman and Ms Tan Siew Poh decided to abstain as they are interested party in this resolution.

*(Proposed by: Tan Sri Dato' Mohd Ramli Kushairi)  
(Secoded by: Ms Yau Sek Fun)*

As the poll on this resolution would be conducted later, Chairman proceeded to the next item of the Agenda.

**4. PAYMENT OF DIRECTORS' BENEFITS (EXCLUDING DIRECTORS' FEES) TO NON-EXECUTIVE DIRECTORS (RESOLUTION 3)**

Chairman proposed the motion to approve the payment of Directors' Benefits (excluding Directors' Fees) not exceeding RM33,000-00 payable to Non-Executive Directors for the period from 1 June 2019 until the next Annual General Meeting of the Company to the meeting for consideration. Chairman and Ms Tan Siew Poh decided to abstain as they are interested party in this resolution.

*(Proposed by: Tan Sri Dato' Mohd Ramli Kushairi)  
(Secoded by: Mr Wong Yee Kean)*

As the poll on this resolution would be conducted later, Chairman proceeded to the next item of the Agenda.

**5. RE-ELECTION OF DIRECTORS (RESOLUTION 4)**

Chairman informed the members that both Mr Chong Heng Kiong and Chairman himself shall retire as Director of the Company in accordance with Article 94 of the Constitution of the Company and they had not offered themselves for re-election. Hence, they will cease to act as Director after the close of the meeting. Chairman thanked the members for their support throughout his tenure as a Director and Chairman of the Company.

**5. RE-ELECTION OF DIRECTORS (RESOLUTION 4) (cont'd)**

Chairman also informed the members that Puan Latifah Binti Abdul Latiff who retired by rotation in accordance with Article 100 of the Constitution of the Company had offered herself for re-election of the Company.

Chairman proposed the motion that Puan Latifah Binti Abdul Latiff be and is hereby re-elected as Director of the Company to hold office until such time she is due to retire to the meeting for consideration.

*(Proposed by: Tan Sri Dato' Mohd Ramli Kushairi)  
(Seconded by: Ms Tan Siew Chin)*

Chairman informed that the poll on this resolution would be conducted later. He then proceeded to the next item of the Agenda.

**6. RE-APPOINTMENT OF AUDITORS (RESOLUTION 5)**

Chairman proposed the motion that Messrs UHY be and are hereby re-appointed as Auditors of the Company, to hold office until the conclusion of the next Annual General Meeting of the Company, at a remuneration to be determined by the Directors to the meeting for consideration.

*(Proposed by: Tan Sri Dato' Mohd Ramli Kushairi)  
(Seconded by: Mr Wong Yee Kean)*

As the poll on this resolution would be conducted later, Chairman then proceeded to the next item of the Agenda.

**7. AUTHORITY TO ALLOT AND ISSUE SHARES IN GENERAL PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016 (RESOLUTION 6)**

Chairman informed the members that the Company did not issue any shares after obtaining the shareholders' mandate on 31 May 2018.

Chairman proposed the motion that pursuant to Sections 75 and 76 of the Companies Act, 2016 and subject to the approvals of the relevant government/regulatory authorities, the Directors be and are hereby authorized to allot and to issue shares in the Company, from time to time, upon such terms and conditions, for such purposes and to such person or persons whomsoever as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued does not exceed 10% of the total issued share capital of the Company for the time being and that the Directors be and are hereby also authorized to obtain approval from Bursa Malaysia Securities Berhad for the listing and quotation of the additional shares so issued and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company to the meeting for consideration.

*(Proposed by: Tan Sri Dato' Mohd Ramli Kushairi)  
(Seconded by: Ms Tan Siew Chin)*

As the poll on this resolution would be conducted later, Chairman then proceeded to the next item of the Agenda.

**8. CONTINUING IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTORS**

Chairman informed the members that (i) Dato' Dr Abdullah Bin Sepien and (ii) Tan Sri Datuk Seri Ismail Bin Yusof who act as Independent Non-Executive Directors have served for a cumulative term of more than 9 years.

In accordance with Practice 4.2 of the Malaysian Code of Corporate Governance 2017, a two-tier voting process would be carried out by members to approve the continuing of an Independent Non-Executive Director of the Company who has served more than nine (9) years.

(i) **DATO' DR ABDULLAH BIN SEPIEN (RESOLUTION 7)**

Chairman proposed the motion that approval be and is hereby given to Dato' Dr Abdullah Bin Sepien who has served as Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years to continue to act as an Independent Non-Executive Director of the Company to the meeting for consideration.

*(Proposed by: Tan Sri Dato' Mohd Ramli Kushairi)  
(Seconded by: Mr Ham Sai Kit)*

(ii) **TAN SRI DATUK SERI ISMAIL BIN YUSOF (RESOLUTION 8)**

Chairman proposed the motion that approval be and is hereby given to Tan Sri Datuk Seri Ismail Bin Yusof who has served as Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years to continue to act as an Independent Non-Executive Director of the Company to the meeting for consideration.

*(Proposed by: Tan Sri Dato' Mohd Ramli Kushairi)  
(Seconded by: Ms Tan Siew Chin)*

As the poll on these resolutions would be conducted later, Chairman proceeded to the next item on this Agenda.

**9. SPECIAL RESOLUTION:  
PROPOSED ADOPTION OF THE NEW CONSTITUTION OF THE COMPANY  
(RESOLUTION 9)**

Chairman proposed the motion that approval be and is hereby given to the Company to revoke the existing Memorandum and Articles of Association of the Company in its entirety with immediate effect and in place thereof, to adopt the new Constitution of the Company as set out in Appendix and the Directors be authorized to do all acts, deeds and things as are necessary and/or expedient with full powers to assent to any variations, modifications and/or amendment as may be required by any relevant authorities to give full effect to the foregoing to the meeting for consideration.

*(Proposed by: Tan Sri Dato' Mohd Ramli Kushairi)  
(Seconded by: Ms Yau Sek Fun)*

The poll on this resolution would be conducted later.

**10. OTHER MATTERS**

Chairman proceeded to the last Agenda of this meeting which is to transact any other matters for which due notice has been given in accordance with the Company's Constitution and the Companies Act 2016.

**10. OTHER MATTERS (cont'd)**

No business was discussed under this Agenda as the Secretary confirmed that no notice had been received from the members in accordance with the Company's Constitution and the Companies Act, 2016.

As there was no further business to transact, Chairman directed the poll for resolution 1 to 9 be taken and proceeded with the polling procedure. Once the members had filled and signed on the polling slips, the polling slips were collected by the Secretariat and passed on to the Scrutineer to carry out the verification of the votes.

Chairman then adjourned the meeting at 11:25 a.m. while waiting for the results of the poll.

**RECEIVING THE POLL RESULT FOR RESOLUTIONS 1 TO 9**

After the Scrutineer informed that the poll results were available, Chairman resumed the meeting at 11:45 a.m.

The Scrutineer then read out the poll results as follows:-

Resolution(s)	<u>Vote For</u>		<u>Vote Against</u>		<u>Total Votes</u>	
	No. of Units	%	No. of Units	%	No. of Units	%
Resolution 1	54,733,206	100.00	0	0.00	54,733,206	100.00
Resolution 2	54,733,206	100.00	0	0.00	54,733,206	100.00
Resolution 3	54,733,206	100.00	0	0.00	54,733,206	100.00
Resolution 4	54,734,872	100.00	0	0.00	54,734,872	100.00
Resolution 5	54,734,872	100.00	0	0.00	54,734,872	100.00
Resolution 6	54,734,872	100.00	0	0.00	54,734,872	100.00
Resolution 7						
• Tier 1 – Large Holders	40,335,624	100.00	0	0.00	40,335,624	100.00
• Tier 2 – Other Holders	14,399,248	100.00	0	0.00	14,399,248	100.00
Resolution 8						
• Tier 1 – Large Holders	40,335,624	100.00	0	0.00	40,335,624	100.00
• Tier 2 – Other Holders	14,399,248	100.00	0	0.00	14,399,248	100.00
Resolution 9	54,734,872	100.00	0	0.00	54,734,872	100.00

After receiving the result of the poll, Chairman announced and declared the following :-

- (a) For Resolution 1, with 54,733,206 equivalents to 100.00% voted "for" and NIL voted "Against", the motion was carried;
- (b) For Resolution 2, with 54,733,206 equivalents to 100.00% voted "for" and NIL voted "Against", the motion was carried;
- (c) For Resolution 3, with 54,733,206 equivalents to 100.00% voted "for" and NIL voted "Against", the motion was carried;
- (d) For Resolution 4, with 54,734,872 equivalents to 100.00% voted "for" and NIL voted "Against", the motion was carried;

**RECEIVING THE POLL RESULT FOR RESOLUTIONS 1 TO 9** (cont'd)

- (e) For Resolution 5, with 54,734,872 equivalents to 100.00% voted “*for*” and Nil voted “*Against*”, the motion was carried;
- (f) For Resolution 6, with 54,734,872 equivalents to 100.00% voted “*for*” and Nil voted “*Against*”, the motion was carried;
- (g) For Resolution 7, with 40,335,624 equivalents to 100.00% voted “*for*” and Nil voted “*Against*” for tier-one level and with 14,399,248 equivalents to 100% voted “*for*” and Nil voted “*Against*” for tier-two level, the motion was carried;
- (h) For Resolution 8, with 40,335,624 equivalents to 100.00% voted “*for*” and Nil voted “*Against*” for tier-one level and with 14,399,248 equivalents to 100% voted “*for*” and Nil voted “*Against*” for tier-two level, the motion was carried; and
- (i) For Resolution 9, with 54,734,872 equivalents to 100.00% voted “*for*” and Nil voted “*Against*”, the motion was carried.

**CLOSE OF MEETING**

There being no other business, the Meeting closed at 11:55 a.m. with a vote of thanks to the Chair.

CONFIRMED

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CHAIRMAN

Date: